



CALIFORNIA DEPARTMENT  
OF HEALTH SERVICES

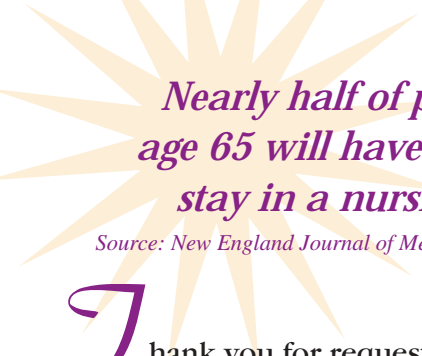
# The California Partnership for Long-Term Care

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***Preserve Your  
Independence  
& Secure Lifetime  
Asset Protection***

**1-800-CARE445**

A program of the California Department of Health Services



*Nearly half of people over  
age 65 will have at least one  
stay in a nursing home.*

*Source: New England Journal of Medicine (Feb. 28, 1991)*

**T**hank you for requesting information on the State of California's Partnership for Long-Term Care program.

We've created this booklet to provide an overview of the Partnership program and to answer the most frequently-asked questions.

The State of California and the California Partnership do not sell long-term care insurance policies. However, we've included in this booklet a list of the private insurance companies that are approved to sell Partnership policies in California.

If you *don't have* long-term care insurance for yourself, your spouse or your loved ones, we urge you to meet with a qualified agent who can more completely describe the Partnership-certified policies and discuss which policies could best meet your needs.

Only a Partnership-certified policy can provide the care you may need and ***lifetime asset protection*** so you will not be forced to spend everything you have worked for on long-term care. It truly provides ***the independence you want...just when you'll need it the most.***

Sandra Pierce-Miller

***Project Director***

California Partnership for Long-Term Care

## What exactly is long-term care?

Long-term care is different from the rest of your health care, and it's *not* typically covered under health insurance policies, HMO plans, Medicare or Medicare supplemental policies.

Health care plans are designed to provide coverage when you receive care from a doctor or treatment in a hospital. Some may also cover nursing home care or home care — but typically *only* on a short-term or limited basis.

Long-term care is personal care, such as help with bathing, eating or dressing that you require over a lengthy period. That's why it can be very expensive. Long-term care can range from simple assistance with activities in your own home or a residential care facility or it can mean highly skilled care in a nursing facility.

The possibility of needing long-term care due to an illness or physical disability is something most people would rather not think about. But as we get older, and because we are living longer, the likelihood that we will need some kind of assistance is very real. ***Long-term care coverage will help you live your life with dignity and with independence.***


***Nursing home care in  
California averages about \$140  
a day or nearly \$51,100  
a year in 2001.***

*Source: CA Office of Statewide  
Health Planning and Development*



## What every Californian needs to know.

If you require long-term care because of a chronic physical condition such as arthritis or Parkinson's disease, who will pay for it? Should you need assistance because of a degenerative mental disease, such as Alzheimer's, who will pay for care? The answer is probably you, unless you act to protect yourself.



*Chances are,  
you're NOT  
covered for  
long-term  
care.*

Your actual risk of needing long-term care - either at home or in a nursing home - is greater than 50 per-cent.<sup>1</sup> Nursing home costs in California average \$140 a day in 2001.

***Of those who enter a nursing home, 55 per-cent will stay at least a year and 21 percent will remain longer than five years.***<sup>2</sup>

Care in your own home can be more costly than care in a nursing home.

Paying for long-term care, either for yourself or a loved one, can mean sacrificing a lifetime of savings or losing your financial independence, unless you plan ahead.

### Californians have an affordable alternative to pay for this care.

The California Partnership for Long-Term Care is an innovative program of the State of California in cooperation with a select number of private insurance companies.

<sup>1</sup> *"Who Buys Long-Term Care Insurance? 1994 - 1995 Profiles and Innovations in a Dynamic Market", Health Insurance Association of America/Life Plans, Inc., pg.2*

<sup>2</sup> *A "Long-Term" Solution to a Medicaid Problem, National Center for Policy Analysis, November 17, 1995*

These insurers have agreed to offer high quality policies that meet stringent standards set by the Partnership and the State of California. These special policies are commonly called “Partnership policies.”

## **Types of Partnership Policies**

Two types of Partnership policies are available: policies that cover care in a facility (residential care facility and nursing home care) or policies that cover care at home, in the community, as well as residential and nursing facility care.

You choose the type of policy and the amount of coverage you want. Policies offer coverage from one year through a lifetime.

## **The Partnership has taken the guesswork out of selecting a high quality policy**

To be assured you’re selecting high quality coverage, all Partnership policies include:

- automatic inflation protection to ensure that your benefits keep pace with the rising cost of care;
- a deductible that must be met only once in your lifetime;
- care coordination to assist you in planning and securing the services you want and need;
- waiver of premiums while you receive care in a nursing home or residential care facility; and
- interchangeable policy benefits so that care can be customized to meet your individual needs.



# *The California Partners* *An Affordable Alternative*

W h a t m a k e s a P a r t n e r

First and foremost, a Partnership long-term care policy will:

- protect your independence by ensuring that you're covered for long-term care expenses; and
- maintain your dignity by assuring you will not have to depend on others for your care needs.

But a Partnership policy does something more, something unique. It contains a “life-time asset protection” feature. This assures that catastrophic long-term care expenses won't reduce you to poverty even if you run out of insurance benefits. That's something non-Partnership long-term care insurance policies can not offer.

Here's how this special feature works. When you need care:

- your Partnership-certified private long-term care insurance policy pays for your care in the same way other high quality long-term care policies would;

**“Every once in a while an idea has real merit. The California Partnership**

*—Senior World*

# *Partnership for Long-Term Care: An Alternative for Californians*

Partnership policy unique?

- but, unlike a traditional policy, each dollar your Partnership policy pays out in benefits entitles you to keep a dollar of your assets if you ever need to apply for Medi-Cal services.

For many people, the benefits of their private Partnership insurance policy will provide all the care they ever need. But, because of the unique asset protection feature, you won't have to impoverish yourself if you run out of insurance benefits and still need care.

You can apply to Medi-Cal for assistance in paying the cost of your continued care and not have to spend all your hard earned savings to the poverty level. Each dollar your Partnership policy pays in benefits for your care is protected against Medi-Cal "spend down" rules. You may have to apply a portion of your income toward the cost of your care. But the assets you protected by purchasing a Partnership policy remain yours—for you, your spouse or to leave to your loved ones.

**...a comes along that has some  
Partnership is a case in point."**

*...October 1994*





## What does a Partnership policy cost?

Partnership policies cost the same, or slightly less than other policies that offer similar coverage. But Partnership policies include lifetime asset protection against the high cost of long-term care and access to Medi-Cal services should you ever need them—***a significant benefit at no added cost.***

Because of the Partnership asset protection feature, you don't have to worry that you

***If you are 60, you can expect to pay an annual premium of \$445 - \$510 for a policy that will pay \$100 a day in a nursing home for one year of nursing home care and protect \$36,500 in assets.***

*~2000 premium range for CA Partnership policies*

may run out of insurance benefits and end up spending the savings that you hoped to protect paying for on-going care needs. The asset protection feature enables middle income Californians to purchase policies with coverage equal to the amount of assets they want to protect—starting at \$36,500 up to your total assets—with the assurance that

these assets are protected for life, no matter how extended or expensive their long-term care needs may be. Without a Partnership policy, you could only achieve lifetime asset protection by purchasing lifetime insurance coverage...something most people cannot

afford. This added protection and peace of mind comes only with the purchase of a Partnership policy.

Each insurance company offering Partnership policies has its own premium rates. However, the younger you are when you purchase coverage, the less expensive your annual premium will be. That is a good reason to buy now rather than waiting.

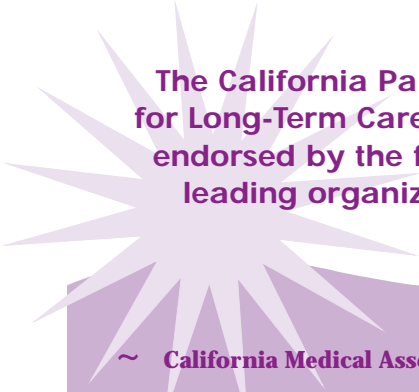
### **How do I get Partnership coverage?**

Partnership long-term care insurance policies may only be sold by select insurance companies that provide policies which meet the special standards established by the State. The names and toll free numbers of these approved participants are listed on page 11.

***Partnership long-term care insurance policies are only marketed by licensed insurance professionals who have completed special training required by the State of California.***

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***A Partnership policy, with its unique lifetime asset protection feature, ensures that you will not be forced to spend everything you have worked for on long-term care.***



**The California Partnership  
for Long-Term Care has been  
endorsed by the following  
leading organizations:**


- ~ **California Medical Association (CMA)**
- ~ **California Commission on Aging**
- ~ **CA Retired Public  
Employees Association**
- ~ **California State Employees' Association**
- ~ **California State University-Emeritus  
Retired Faculty Association**
- ~ **California Association  
for Adult Day Services**
- ~ **California Association for  
Health Services at Home**
- ~ **California Association  
of Health Facilities**
- ~ **California Association of Homes  
and Services for the Aging**
- ~ **California Association of  
Residential Care Homes**
- ~ **California Pharmacists Association's  
Long Term Care Management Council**
- ~ **Community Residential Care  
Association of California**
- ~ **Mt. Zion Institute on Aging**
- ~ **Senior Care Network/Huntington  
Memorial Hospital**

# Take the next step today...


For more complete details on Partnership policies and premium costs, you may call:

- **Bankers Life and Casualty**  
**(888) 2828-BLC**
- **CNA Insurance**  
**(800) 262-0348**
- **GE Financial Assurance**  
**(800) 354-6896**
- **John Hancock Life Insurance Company**  
**(800) 377-7311**
- **New York Life Insurance**  
**(800) 224-4582**
- **Transamerica Occidental Life Insurance Company**  
**(800) PYRAMID**
- **CalPERS Long-Term Care Program\***  
**(800) 205-2020**

\* The CalPERS (California Public Employee's Retirement System) Long-Term Care Program is an additional option for all California public employees and retirees - that includes city, county, and state employees, school teachers, legislators, judges, University of California employees and retirees. Also, eligible to apply are public employees' and retirees' spouses, parents, and parents-in-law. Call CalPERS for open enrollment period dates.



**The California Department of Aging's Health Insurance Counseling and Advocacy Program (HICAP) has trained, impartial volunteer counselors available to meet with you to discuss your long-term care needs and to help you with questions you may have. You may call HICAP at (800) 434-0222. Appointments and consultations are free of charge.**





**CALIFORNIA DEPARTMENT  
OF HEALTH SERVICES**

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1-800-CARE445

*Visit our website at:*  
**[www.dhs.ca.gov/cpltc](http://www.dhs.ca.gov/cpltc)**

*called...*  
***“A Partnership for Dignity”***  
*—Sacramento Bee editorial endorsement (Nov. 1994)*



**Gray Davis**  
Governor  
State of California

**Grantland Johnson**  
Secretary  
Health and Human Services Agency

**Diana M. Bontá, R.N., Dr. P.H.**  
Director  
Department of Health Services